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## LASTBIT PLATFORM ACCESS: TERMS AND CONDITIONS

Last updated: 20<sup>th</sup> October 2020

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**IMPORTANT INFORMATION: PLEASE READ THIS AGREEMENT CAREFULLY BEFORE APPLYING FOR YOUR LASTBIT ACCOUNT. YOUR APPLICATION FOR AND/OR USE OF A LASTBIT ACCOUNT SHALL BE TAKEN AS YOUR AGREEMENT TO TERMS AND CONDITIONS CONTAINED IN THIS AGREEMENT INCLUDING THE FEES.**

## INTRODUCTION

1.1 These terms and conditions (together with any documents incorporated by reference, the “Agreement”) govern the supply of services by lastbit, SIA, (reg number 40203173048 of Brivibas iela 133 - 28, Riga, Latvia), (as the context requires, “lastbit”, “we”, “us”, “our”) to the entity approved by us to access the lastbit Service (“you”, “your”) as indicated below.

1.2 We operate and maintain the lastbit Platform which enables users to:

- (i) access to the Bitcoin and Lightning Networks to process cryptocurrency transactions;
- (ii) access to the Bitlocus Service for:
  - (a) the exchange of Cryptocurrency for Euro and Euro for Cryptocurrency;
  - (b) making payments using Euro through Bitlocus IBANs;
  - (c) maintaining funds on the Bitlocus Account;
  - (d) the storing of Cryptocurrency including Bitcoin;
- (iii) buy goods and services online by converting Bitcoin (and such other Cryptocurrencies as we may support from time to time) into fiat currencies credited to Virtual Cards.

each part of which or together We refer to as the “**lastbit Service**” or “**lastbit Services**”.

1.3 We are dependent on a number of key third parties and Partners. As such, we cannot guarantee that all of the elements of the lastbit Services will be available without interruption. When our Partners are unable to support a part of the lastbit Services We may need to withdraw the relevant elements of the lastbit Services either temporarily or permanently.

1.4 We may from time to time enable additional payment and technical functionalities. Where such functionality is available it will be advertised on Our website and You will be notified through Your lastbit Account.

1.5 In certain circumstances, in order to use certain of the Partner Services, You will also be required to agree to the terms and conditions of Our third party Partners and We and they shall be entitled to treat Your use of any part of the lastbit Services or Partner Services as confirmation of Your acceptance of this Agreement and any relevant third party terms and conditions.

## 2. YOUR ACKNOWLEDGEMENTS AND RESPONSIBILITY

2.1 The lastbit Service is a technology-based service. The Payment Services part of the lastbit Services enable the integration of the various component parts of a payment transaction using Bitcoin (or other supported Cryptocurrency), fiat currency and Cards. Key aspects of the lastbit Services such as the access to Cards, the processing of Transaction data and the exchange of



Cryptocurrencies for fiat currency are provided by our third party Partners and lastbit is not liable for any aspect of these Partner Services.

2.2 You acknowledge and agree that it is solely your responsibility to check and confirm that all details entered into the lastbit System by You such as any Wallet address, Lightning transaction invoice or bank account details is correct and any mistakes resulting in errors in transactions or transfers or value being credited into an incorrect or unintended recipient are Your responsibility.

2.3 If You maintain Your own Wallet and the Wallet address is on an exchange, then that exchange's terms and conditions and any other relevant policies govern how and when the Cryptocurrencies will be credited to Your lastbit Account.

2.4 We will not be liable if an exchange decides for any reason to reverse, reject or otherwise prevent the Cryptocurrencies from being credited to your Bitlocus Account maintained through the lastbit Services.

### **3. THIS AGREEMENT, DEFINITIONS & INTERPRETATION**

3.1 The definitions set out in the schedule shall apply in this agreement.

3.2 These terms and conditions govern the relationship between Us and You for the provision of the lastbit Service.

3.3 We may update or amend these terms and conditions (including the Fees) by giving You not less than two months' written notice in advance. We shall take Your continued use of the lastbit Services after the expiry of the notice period as Your acceptance of such changes as have been notified. If You do not wish to be bound by such changes You must stop using the Services immediately in accordance with Our cancellation process.

3.4 Please copy or download a copy of this agreement for Your records.

### **4. SERVICE AVAILABILITY**

4.1 We use Our reasonable commercial endeavours to ensure the availability of the lastbit Services but they are dependent on numerous third-party suppliers and Partners and are offered on an "as is" basis. We give no warranty or undertaking regarding their availability for a given period of time or at specific times.

4.2 If there is a problem with any aspect of the lastbit Services You should in the first instance contact Our Customer Service team. Customer Service operates an email only response and aims to acknowledge Your enquiry and deal with it as quickly as possible but We do not operate specific service levels in this regard.

4.3 We or Our Partners may refuse to allow any use of the lastbit Services or Payment Services which could breach these terms and conditions or any of Our Partners' terms and conditions or if We have reasonable grounds for suspecting that You or any third party has committed or are planning to commit fraud or any other illegal or un-permitted use of the lastbit Services or Payment Services.

4.4 Your ability to use or access the lastbit Services may occasionally be interrupted, for example if We need to carry out maintenance on Our systems or websites.

### **5. YOUR LASTBIT ACCOUNT**



5.1 In order to use the lastbit Services You must apply to us for a lastbit Account. We and Our Partners will undertake various checks on You during the application process in order to meet Our and their “know your customer” (“KYC”) obligations. By proceeding with an application, you are agreeing to the relevant checks being undertaken and the data submitted and results obtained being shared with Us, and Our Partners for the purposes of the lastbit Services and Partner Services.

5.2 Application for a lastbit Account, use of the lastbit Services and all interactions with Us are through Our downloadable mobile app.

5.3 We shall decide in Our absolute discretion whether or not to accept any application for a lastbit Account and Our Partners may decide in their absolute discretion whether or not to authorise Your access to any Partner Services.

5.4 On the successful creation of a lastbit Account You will be given access Security Information.

5.5 We may from time to time specify an age limit under which age persons shall not be entitled to be registered for a lastbit Account. If You allow access to Your lastbit Account or any lastbit Service or Payment Services to a person for whom You are legally responsible who is under such age You shall be responsible for any transactions initiated by such persons. Some Merchants may not permit transactions by persons under a certain age.

5.6 The lastbit Services and Your use of Your lastbit Account and any Payment Services is personal to You and You shall not make their use available to anyone else nor try to sell or transfer to anyone else the ability to use them.

## Wallets

8.1 If desired You will be able to use Our own Wallet facility for Your Cryptocurrency when interacting with the lastbit Services. If You wish to access certain services, such as deposits and withdrawals of and the trading of Cryptocurrency for fiat and/or vice versa, provided by Our Partner Bitlocus, We will under Your instruction access on Your behalf the additional wallets at these service providers.

8.2 You may receive supported Cryptocurrency into Your Wallet in Your Bitlocus Account by providing the sender with a receive address generated in Your Wallet or Lightning Network invoice if using the Lightning service.

8.3 Your Wallet in Your Bitlocus Account will only be credited with the supported Cryptocurrency sent to a receive address generated through the Wallet and associated with that Cryptocurrency. In the case of Bitcoin, you may opt to add funds to your Lightning Network wallet through the payment of a Lightning Network invoice. In this case, a special record dedicated to maintaining the balance of Your Lightning Network wallet hosted on lastbit servers, will be created.

8.4 Lastbit uses third party providers for hosting the lastbit System. These providers follow best industry practice and security standards but lastbit takes no responsibility for data breaches, hacks and security compromises of funds hosted on these servers and You understand and accept the risk of storing funds on a third party server, in exchange for ease of use of the Lightning Network and lastbit Services.

## 9. PRIVATE KEYS



9.1 Our Partners securely store all supported Cryptocurrency private keys (“Private Keys”) associated with the Wallet in Your Bitlocus Account. You accept and agree that they shall retain full ownership and control of such Private Keys and that You shall have no control of, access to, or the ability to use, such Private Keys. For example, but without limiting the generality of the foregoing, they will not:

- (i) accept or adhere to any instruction to sign any data with a Private Key;
- (ii) give access to any funds associated with your private keys, other than those of the supported Cryptocurrency associated with Your Bitlocus Wallet;
- (iii) allow the creation of any receive addresses associated with a Private Key other than receive addresses created through Your Wallet in Your Bitlocus Account. We will not credit to Your Wallet with any Cryptocurrency associated with a Private Key other than where such funds have been received via a receive address generated through Your Wallet.

9.2 When you use Your Bitlocus Wallet to send or receive Cryptocurrency, the transaction must be confirmed and recorded in the public ledger associated with the relevant Cryptocurrency network (e.g. the Bitcoin network or the Ethereum network). That network is solely responsible for verifying and confirming any such transactions. We cannot confirm, cancel or reverse any transaction on a Cryptocurrency network, other than confirming to You that the network has completed the transaction.

### **13. FEES**

13.1 The lastbit Services will incur fees as set out on Our website <https://lastbit.io/pricing/>

13.2 We reserve the right to amend the Fees at any time on giving not less than 2 months' notice in writing.

13.3 Your use of Your lastbit Account and the lastbit Services may also be subject to other applicable fees, rules and regulations such as those of any relevant Partner, Merchant, or bank. It is your responsibility to check whether any such additional fees apply, as they cannot be refunded once the transaction has been made.

13.4 We shall have the absolute right to set-off, transfer, or apply sums held for Your benefit by any of Our Partners in or towards satisfaction of all or any Fees or other liabilities owed to Us that have not been paid or satisfied when due.

13.5 All fees stated are exclusive of any value added tax or similar tax or impost that may apply.

### **14. CONDITION OF USE FOR CERTAIN MERCHANTS OR CERTAIN TRANSACTIONS**

14.1 There may be specific conditions of use for any part of the lastbit Services or any Payment Services. For example, We, a Partner or a Merchant may require You to have an Available Balance in excess of the transaction amount (for example, car hire companies may require there to be a greater Available Balance than the value of their bill to allow for any refuelling charge). Such specific conditions will be found in the schedules to these terms and conditions or the specific Partner terms and conditions.

### **15. MANAGING & PROTECTING YOUR ACCOUNTS**



15.1 You are responsible for Your lastbit Account and any accounts created at Our Partners by You or on Your behalf and any Security Information You may receive. Do not share Your Security Information with anyone and keep it safe and separate from Your accounts or any record You keep of them. This includes not disclosing Your Security Information to any person.

15.2 Failure to comply with the provisions regarding Security Information may affect Your ability to claim any losses should any of Your accounts be compromised.

## **16. YOUR DETAILS**

16.1 The email address You notify to Us on Your registration for Your lastbit Account is also the address to which we will send any correspondence unless You notify Us of any change.

16.2 You must notify Us immediately of any change in Your contact details. You can notify Us by following the process indicated on Our website.

16.3 You will be liable for any loss that directly results from any failure to notify Us of such change as a result of undue delay, Your negligence or fraud. We may ask to verify Your new address and shall request relevant proof.

16.4 We reserve the right, at any time to satisfy Ourselves as to Your identity and home address (for example, by requesting relevant original documents) including for the purposes of preventing fraud and/or money laundering. In addition, at the time of Your application or at any time in the future, in connection with Your Account, you authorise us to perform electronic identity verification checks directly or using relevant third parties. We may do this directly or through the authorised third-party acting as Our agent in this regard. By proceeding with Your application for a lastbit Account and/or using the lastbit Services or any Partner Services You are authorising this and the sharing of such data between all the parties required to deliver the lastbit Services and Partner Services to use this data for the purposes of this agreement and any relevant Partner terms and conditions which You agree to.

## **17. PROPRIETARY RIGHTS**

You acknowledge and agree that We and/or Our licensors own all intellectual property rights in the lastbit Services and the Trade Marks. Except as expressly stated herein, this agreement does not grant You any rights to, or in, patents, copyrights, database right, trade secrets, trade names, Trade Marks (whether registered or unregistered), or any other rights or licences in respect of the lastbit Services.

## **18. CANCELLING THE SERVICE**

18.1 If You wish to cancel the lastbit Services or any part at any time, you must contact Customer Services online. You must e-mail us from the e-mail address You provided when registering Your lastbit Account (or such alternative address as You have notified to Us). Customer Services will then suspend all further use of the lastbit Services. Please note that You may need to separately notify Partners in order to cancel specific Partner Services.

18.2 Once We or the relevant Partner has received all the necessary information from You and all transactions and applicable Fees have been processed, We or they will refund any Available Balance less any Fees payable to Us, provided that:



- (i) You have not acted fraudulently or, with gross negligence or in such a way as to give rise to reasonable suspicion of fraud or gross negligence; and
- (ii) We or a Partner are not required to withhold any Available Balance by law or regulation, or at the request of the police, a court or any Regulatory Authority.

18.3 If, following reimbursement of any Available Balance, any further transactions are found to have been made or Fees incurred or a reversal of any prior funding transaction is received, We or the relevant Partner will notify You of the amount and You must immediately repay such amount on demand as a debt immediately due.

## **19. TERMINATION OR SUSPENSION OF THE LASTBIT SERVICES**

19.1 We may terminate your use of the lastbit Services or any part with prior notice of at least two months.

19.2 Your use of the lastbit Services will be terminated following any Expiry of Your lastbit Account.

19.3 We may terminate or suspend, for such period as may reasonably be required, Your use of the lastbit Services or any part at any time, without prior notice:

- (i) in the event of any fault or failure in the data information processing system;
- (ii) if We reasonably believe that You have used or are likely to use the lastbit Services or allowed it to be used in breach of any provision of this agreement or to commit any offence;
- (iii) if any Available Balance may be at risk of fraud or misuse;
- (iv) if We suspect that You have provided Us with false or misleading information;
- (v) by order or recommendation of any relevant governmental or regulatory authority, or Partner;
- (vi) if We are not satisfied with any anti-money laundering or other investigations We have undertaken or if We suspect fraud;
- (vii) if any of Our Partners whose services are required in order for Us to provide the lastbit Services ceases to supply its services to Us for any reason.

19.4 If any transaction is found to have been made or charges or fees incurred using Your Account or Cards after any action has been taken by Us under this clause You must immediately repay such amounts to Us.

## **20. OUR LIABILITY**

20.1 Subject to clause 20.4 no party shall be liable to the other for indirect or consequential loss or damage (including without limitation loss of business, profits or revenues), incurred in connection with this agreement, whether arising in contract, tort (including negligence), breach of statutory duty or otherwise;

20.2 We shall not be liable:

- (i) if You are unable to use the lastbit Services for any fault or failure beyond our reasonable control;

- (ii) if any Merchant refuses to accept a transaction or fails to cancel an authorisation or pre-authorisation;
- (iii) for the goods or services that You may purchase through the Payment Services;
- (iv) where you are in breach of any term or condition of this agreement;
- (v) where You have acted fraudulently or with gross negligence.

20.3 To the fullest extent permitted by relevant law, and subject to clause 20.4, our total liability under or arising from this agreement shall be limited to repayment of the amount of Fees We have received from You.

20.4 Nothing in this agreement shall exclude or limit either party's liability in respect of death or personal injury arising from that party's negligence or fraudulent misrepresentation.

20.5 We shall not be liable for, or be considered in breach of this agreement on account of, any delay or failure to perform as required by this agreement as a result of any causes or conditions which are beyond Our reasonable control and which We are unable to overcome by the exercise of reasonable diligence.

## **21. REFUNDS FOR TRANSACTIONS**

21.1 A transaction shall be considered to be unauthorised if You have not given Your consent for the transaction to be made. If You believe that a transaction has been made without Your consent You should contact the Payment Service provider in accordance with the directions on Our website.

21.2 If you are not satisfied with the outcome of Your claim for a refund or the justification provided for refusing the refund You should submit a complaint to the Payment Service provider in accordance with their online complaints policy or contact the complaints authority as described on the website of the Partner.

## **22. PAYMENT CHARGES & REIMBURSEMENT OF COSTS**

22.1 Where any request, transaction, disputed transaction, arbitration or reversed transaction involves third party costs You remain liable for these.

22.2 We may charge You an administration Fee in certain circumstances including:

- (i) in the event that You make any transaction that is subsequently reversed due to inadequate account information or inadequate KYC documentation;
- (ii) in the event of a request for assistance in arbitration of a disputed transaction;
- (iii) to cover Our costs and expenses in providing You with manual support on Your lastbit Account which proves to be unnecessary and/or unnecessarily onerous.

22.3 We may charge You a Fee where a receiving bank declines receipt of a transaction following a request to transfer Your funds.

## **23. DISPUTES**

23.1 If You are unhappy about any aspect of the lastbit Services please contact Us as indicated in Our online complaints policy.



23.2 Our Partners may be authorised by their relevant Regulatory Authority and complaints relating to the Payment Services may be subject to the oversight of such authorities. Please see their websites for details.

## **24. PERSONAL DATA**

24.1 We are the data controller for Your personal data and will process personal data given to Us in connection with the lastbit Services in order to provide You with those services.

24.2 We may check Your personal data with other organisations and obtain further information about You in order to verify Your identity and comply with applicable money laundering and governmental regulations. A record of Our enquiries will be left on Your file. In accordance with our Privacy Policy and applicable legislation, We may provide personal data supplied by You to certain named third parties (including data processors) for the purpose of performing Our obligations and exercising Our rights under this agreement, including third parties located outside the European Union where different data protection standards may apply. We may also disclose Your personal data as required by law or any competent authority.

24.3 We may use Your personal data for marketing purposes and for market research purposes, in accordance with applicable legislation and our Privacy Policy. You confirm that You have seen our Privacy Policy document and acknowledge and agree to its provisions.

24.4 We may use authorised third-parties to collect Your personal data (in the same way that We may use them for know your customer checks) and by proceeding with Your application and/or use of the Services You are consenting to this and the sharing of Your personal data for the purposes of this agreement and delivery of the Services.

24.5 By agreeing to these terms and conditions, you acknowledge and agree to Our processing of Your personal data in this way.

## **25. WAIVER**

25.1 A waiver of any right under this agreement is only effective if it is in writing and it applies only to the party to whom the waiver is addressed and to the circumstances for which it is given.

25.2 Unless specifically provided otherwise, rights arising under this agreement are cumulative and do not exclude rights provided by law.

## **26. SEVERANCE**

26.1 If any provision (or part of a provision) of this agreement is found by any court or administrative body of competent jurisdiction to be invalid, unenforceable or illegal, the other provisions shall remain in force.

26.2 If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with whatever modification is necessary to give effect to the commercial intention of the parties.

## **27. ENTIRE AGREEMENT**

27.1 This agreement, and any documents referred to in it, constitute the whole agreement between You and Us and supersede any previous arrangement, understanding or agreement between them relating to the subject matter they cover.

27.2 You and We acknowledge and agree that in entering into this agreement neither party relies on any undertaking, promise, assurance, statement, representation, warranty or understanding (whether in writing or not) of any person (whether party to this agreement or not) relating to the subject matter of this agreement, other than as expressly set out in this agreement.

## **28. ASSIGNMENT**

28.1 You shall not, without Our prior written consent, assign, transfer, charge, sub-contract or deal in any other manner with all or any of Your rights or obligations under this agreement.

28.2 We may at any time assign, transfer, charge, sub-contract or deal in any other manner with all or any of Our rights or obligations under this agreement.

## **29. NO PARTNERSHIP OR AGENCY**

Nothing in this agreement is intended to or shall operate to create a partnership between You and Us, or authorise either You or Us to act as agent for the other, and neither party shall have the authority to act in the name or on behalf of or otherwise to bind the other in any way (including, but not limited to, the making of any representation or warranty, the assumption of any obligation or liability and the exercise of any right or power).

## **30. NOTICES**

We shall contact regarding any matter relating to the Services using the email, phone number and/or postal address You provide to Us. It is Your responsibility to ensure that You keep Us informed of Your up to date contact details.

## **31. GOVERNING LAW AND JURISDICTION**

31.1 This agreement and any disputes or claims arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) are governed by, and construed in accordance with, the law of Latvia.

31.2 You and We irrevocably agree that the courts of Latvia have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this agreement or its subject matter or formation (including non-contractual disputes or claims).

**This agreement has been entered into on the date that Your application for a lastbit Account is accepted by Us.**



## Bitlocus Service

### Bitlocus Service

1. The lastbit Platform enables You to connect with Our Partner, Bitlocus Limited ([https://bitlocus.com /](https://bitlocus.com/)), who can provide their fiat-to-crypto and crypto-to-fiat exchange service, fiat transaction processing using IBANs, hold fiat funds on an IBAN account and hold Cryptocurrency on the Bitlocus digital wallet.
2. By accepting this Agreement, you also accept and agree to abide to the Terms and Conditions of Bitlocus (<https://bitlocus.com/terms-and-conditions>), including the provisions concerning AML/KYC procedure that may be applied by Bitlocus.
3. The lastbit Platform also enables You to use Cryptocurrencies to request from Us a fiat advance to fund Mastercard branded virtual and physical prepaid cards which can later be used to make fiat purchases. Where this service is used the provisions of the schedule of these terms and conditions relating to the use of Cards applies.
4. In order for You to be able to access the Bitlocus services We will open an account on Your behalf which is in Your name at Bitlocus ("Bitlocus Account").
5. On Your instructions and on Your behalf, we will access Your Bitlocus Account to enable You to:
  - a. deposit Cryptocurrency;
  - b. withdraw Cryptocurrency,
  - c. make Cryptocurrency to fiat and fiat to Cryptocurrency exchanges;
  - d. initiate Card Transactions using fiat currency through Bitlocus' IBANs; and
  - e. request prepayments to Your Cards.
6. If You wish to make a payment with Cards, on Your instruction and for the amount You request, we will make a fiat prepayment on Your behalf from Our own funds that will be deposited to Your Card and We will execute a Cryptocurrency to fiat trade on Your behalf from your Bitlocus Account. After the trade is executed, we will request the transfer of the fiat proceeds from Your Bitlocus Account to Our Bitlocus Account. You will then be able to access the Cards to make Card Transactions. We are entitled to treat Your request to make a Card payment as authorisation to initiate and complete these steps on Your behalf.
7. If the proceeds from the trade carried out on Your Behalf to fund Your Card are less than the prepayment amount, we have made on Your behalf, we will deduct from Your Card balance the difference. Alternatively, if the proceeds from the previously described trade are more than the prepayment amount, we will credit the difference from Our funds to Your Card.
8. If You wish to redeem balances from Your Cards, on Your instruction and for the amount You request, we will make a Cryptocurrency prepayment from Our own funds to be credited to Your Bitlocus Account. On Your behalf, we will carry out a fiat-to-crypto trade with Our own funds for an amount equivalent to the fiat amount you wish to redeem from Your Cards.



After the trade is executed, we will request the transfer from Your Card to Our account to recoup the amount We have prefunded.

9. If the proceeds from the trade carried out on Your Behalf to redeem balances from Your Cards are less than the prepayment amount, we will deduct from Your Bitlocus Account balance the difference as fees. Alternatively, if the proceeds from the previously described trade are more than the prepayment amount, we will credit the difference from Our own funds to Your Bitlocus Account.
10. The conversion of Cryptocurrencies to one of the supported fiat currencies and of one of the supported fiat currencies to Cryptocurrencies will be carried out at the then prevailing exchange rate used by Bitlocus Limited.
11. In some circumstances our Partner, Bitlocus Limited, may require verification that Your intended transaction recipient for that particular transaction amount will pass their internal Anti-Money-Laundering (AML) checks and will then initiate a hold to the value of the transaction on the Available Balance (for example paying other lastbit users in Bitcoin). In the event our exchange Partner places such a 'hold', You will not have access to this amount until the transaction is completed or released by our Partner which may take up to 30 days.

#### **Lastbit Bitlocus Service**

1. We refer to the processes described above as the “lastbit Bitlocus Service”.
2. You hereby agree that when You request access to Bitlocus We will perform the lastbit Bitlocus Services acting on Your behalf.
3. You confirm that We have Your authority to open a Bitlocus Account in Your name and when You wish to access that account and/or initiate any transaction through Your Bitlocus Account we have Your authority take those actions as Your agent.
4. Where You request Cards, you are authorising Us to:
  - make a fiat prepayment from Our own funds for the Card or Cards;
  - make a Cryptocurrency prepayment from Our funds to Your Bitlocus Account;
  - if necessary, initiate a Cryptocurrency to fiat exchange through Bitlocus in order to ensure You have sufficient fiat funds at Bitlocus to repay the prepayment;
  - request the transfer to Our account at Bitlocus of the necessary funds to cover the fiat prepayment
  - request the transfer to Our account at the Issuer of the necessary funds to cover the Cryptocurrency prepayment.

Your use of the Bitlocus services will also be governed by Bitlocus’ terms and conditions and any directions they may give You.



## Card Services

### Cards

1. Where You request and We and Our Partners agree to Your use of Cards as part of the lastbit Services We will make a prepayment in one of our supported fiat currencies from Our own funds to Your Card or Cards. Once the prepayment has been reimbursed and the Card “unlocked” You will be able to make payments for Your chosen goods or services using the Card. Cards are currently limited to Mastercard payment Cards provided by our Card Issuing partner. Where the funding of the Card is affected through Your Bitlocus Account the relevant terms in the schedule of these terms and conditions relating to Bitlocus shall apply.
2. Issuing payment cards is an authorised payment service in accordance with the provisions of the Payment Services Directive (Directive 2015/2366/EU) and this aspect of the lastbit Service is provided by authorised and regulated entities the details of which are provided on Our website.
3. Your use of Cards will be governed by the rules of the Issuer and the relevant Card Schemes. You must comply with the Issuer’s terms and conditions and any directions they may give You.
4. Cards will not be issued unless We or Our agent have been provided with such information as We may require enabling Us to identify You and comply with all applicable KYC and anti-money laundering requirements. We or our agent shall keep records of such information and documents in accordance with all applicable legal and regulatory requirements.
5. You can use Your Cards up to the amount of the Available Balance for Card Transactions at Merchants of the relevant Card Scheme. Some Merchants may not accept payment using the Cards.
6. It is Your responsibility to check with each Merchant what its policy is. We accept no liability if a Merchant refuses to accept payment using the lastbit Service.
7. The Available Balance on Your Account or Cards will not earn any interest.
8. You must ensure that You have sufficient Available Balance to pay for each Card Transaction that You make using Your Account or Cards (including value added tax and any other taxes, charges and fees that are applicable including the Fees). If for any reason a Card Transaction is processed and the Card Transaction amount exceeds the Available Balance, You must repay the amount of such excess immediately and We shall be entitled to stop any existing or subsequent Card Transactions from proceeding until this has been done.

### LIMITS

1. Your Card is not a credit card. It is subject to the rules and requirements of the Issuer and Card Scheme as indicated in the Issuer’s terms and conditions.



2. Transactions are subject to Limits which are indicated on Our website. We reserve the right to vary the Limits at any time and to decline any transaction at any time.

#### **TRANSACTIONS INVOLVING CARDS**

1. Once You have been granted a lastbit Account You will be able to initiate Card Transactions to make payments for goods and services online.
2. Card Transactions may be restricted by Card type, individual usage patterns and payment risk profiles. For anti-money laundering and anti-fraud reasons We reserve Our rights to change particular payment restrictions (including from those in the Fee Schedule) without notice and to the extent required to meet Regulations.
3. Card Transactions require You to have sufficient fiat balance on Your Cards to meet the cost of the Card Transaction (including applicable Fees) in the requested fiat currency.
4. In order to fund Your Cards, you need to request a prepayment from Our own funds to Load Your Cards. To do so, you must have sufficient Cryptocurrency in Your Bitlocus Wallet to meet the requested Load amount in the requested fiat currency at the then current rates of exchange. We shall provide a confirmation to You showing the exchange rate for the conversion of the Bitcoin to fiat currency which You must accept before the Card Transaction can proceed.
5. In order to protect You and Us from fraud, Merchants will seek Authorisation before processing any Card Transaction. If they are unable to get an Authorisation, they may not be able to proceed with Your Card Transaction. Once a Card Transaction that has been initiated has been Authorised it cannot then be abandoned or withdrawn.
6. We do not have any control over, or any liability in relation to, the delivery, quality or any other aspect of any goods or services that you may buy from Merchants and shall not be responsible for, and will take no action in relation to, ensuring that any Merchant You transact with completes the relevant transaction.
7. When You initiate a Card Transaction You are requesting Us to make available to the Issuer sufficient fiat currency to satisfy the Card Transaction value and associated Fees.
8. If a payment is fraudulently or mistakenly paid into Your Account or to any Card or is rejected by any competent authorities or if We are obliged to return a payment to the payer for any reason after it has been credited to Your Account or any Card, You agree that the amount of the payment may subsequently be deducted by Us. This may occur even if (i) the funds are included in Your Account or Card balance or (ii) You have used the funds to make a payment or (iii) You have transferred or withdrawn all or part of them. If the deduction of the payment from Your Account or Cards would make them go into deficit, You acknowledge that the amount by which Your Account and Cards is in debit, shall constitute a debt owing by You to Us. Following notification by Us to You that You have a debit balance, you shall promptly reimburse such sum to Us and in any event within two working days of notification by Us.



9. This Agreement does not give You any rights against any Card Scheme, any Issuer, their affiliates or any third party.
10. The value of each Card Transaction and the amount of any Fees will be deducted from the Available Balance. We will not send You a paper statement regarding Your Account and Card Transactions. You can check Your Available Balance and Card Transaction history at any time by logging on to Your Account.
11. If enabled, you will have the option to transfer from Your Available Balance on Your Account or Cards to other Accounts or Cards. If You instruct us to make a transfer from Your Account to another Account, the requested amount will be debited from Your Account and credited to the Account you have instructed us to transfer your Available Balance to. You may incur a Fee for this transaction.
12. Cards are provided by Our partners authorised as payment service providers by the regulatory authority of the jurisdiction where they are based. We will try and deal with any questions you have regarding the operation of the Cards (which should be directed to Our Customer Service team), but should you have a complaint which We are unable to satisfy then We are obliged by law to refer You direct to the Issuer and also provide You with the details of the Issuer's regulatory authority in case You wish to take Your complaint up with them. These details are available through Our website.
13. In some circumstances Merchants may require verification that Your Available Balance in Your Cards will cover the Card Transaction amount and will then initiate a hold to the value of the Card Transaction on the Available Balance (for example hotel reservations). In the event a Merchant places a 'pre-authorisation', You will not have access to this amount until the Card Transaction is completed or released by the Merchant which may take up to 30 days.

## **Security**

1. The Issuer is required by law to keep Your funds in a segregated and appropriately safeguarded designated account so that in the event that the Issuer becomes insolvent, your funds should be protected against claims made by any other creditors.
2. Funds to be used for Loads are held by the Issuer in accordance with the terms specified by its Regulatory Authority. Lastbit shall not be liable to You for any default of the Issuer with regard to its proper management of those funds.



## Lightning Service

### Lightning Network and Cryptocurrency Transactions

In the case of the Lightning Network there are no “per user” private keys. There is a single set of private keys for the entire lastbit node hosted by lastbit and this set of keys is controlled by lastbit and will be operated on Your behalf. If You want to make or receive Lightning Network payments, Bitcoin will be sent from or received into this lastbit node and the balances updated in Your account held by Bitlocus.

Additionally, there are no "confirmations" as with Bitcoin. Your balance will be updated when our local node updates with a successful incoming or outgoing payment.

Lastbit WILL NOT BE RESPONSIBLE for payments made to nodes where there is no route possible or a timeout occurs on the route and Your payment is held in transit. In such cases, the payment amount will be locked until either the HTLC's expire and the channel funds are returned back to lastbits' node or the held payment is processed.

### CRYPTOCURRENCY TRANSACTIONS

You accept and agree that:

- (i) once submitted to a cryptocurrency network, a transaction will be unconfirmed for a period of time pending sufficient confirmation of the transaction by the network. A transaction is not complete while it is in a pending state. Funds associated with transactions that are in a pending state will be designated accordingly, and will not be included in the balance of Your Bitlocus Wallet or be available to you to conduct transactions;
- (ii) when you send Cryptocurrency from Your Bitlocus Wallet, you are authorising us to submit Your transaction request to the relevant cryptocurrency network. Once a transaction request has been submitted to the relevant cryptocurrency network, the network will automatically complete or reject the request and neither You nor We will be able to cancel or otherwise modify your transaction;
- (iii) cryptocurrency networks are operated by decentralised networks of independent third parties. They are not owned, controlled or operated by Us and we cannot ensure that any transaction details You submit will be confirmed by the relevant cryptocurrency network. You understand that any transaction details You submit may not be completed, or may be substantially delayed, by the cryptocurrency network used to process the transaction;
- (iv) withdrawal of funds to an on-chain bitcoin address, from the Wallet provided by Bitlocus is a complex process and processed in a queue. Neither lastbit nor Bitlocus can make any warranty that processing Your withdrawal request will be completed within any set period of time and it may require manual intervention to successfully process Your withdrawal. Submitting a withdrawal request to the lastbit mobile application implies that you are willingly locking your funds until this process is complete.

The underlying software protocols that govern the operation of supported Cryptocurrencies are open source. Accordingly, anyone can use, copy, modify, and distribute them and We have no ownership of or control over these protocols.



You further accept that:

- (i) We are not responsible for the operation of any Cryptocurrency network's underlying software protocols and make no guarantee as to their availability, security, or functionality;
- (ii) the underlying software protocols are subject to sudden changes in operating rules and such changes may materially affect the function of any Cryptocurrency You store in Your Bitlocus Wallet;
- (iii) We may, with or without notice to You suspend or terminate Our support of any Cryptocurrency;
- (iv) the number of confirmations required to credit Your balance may be changed at Our discretion at any time.

### Defined Terms

**lastbit Account:** the account created with Us by You which enables You to access the lastbit Services;

**Agreement:** this agreement as amended from time to time;

**Authorised:** in relation to Card Transactions, confirmation from the Issuer that the Card is valid and the correct Security Information has been used;

**Available Balance:** the value at any time of unspent, uncommitted and unredeemed credit to an account and/or Cards in Your name held by a Partner which is available to pay for a Transaction and Fees;

**Business Day:** Monday to Friday, 0900hrs to 1700hrs CET, excluding bank and public holidays in London;

**Card:** a physical or Virtual Card issued by an Issuer and licensed by a Card Scheme which We are able to administer and process through the lastbit System;

**Card Schemes:** Visa Europe, Visa Inc, MasterCard Worldwide, UK Maestro, Solo and/or International Maestro, JCB and/or such other schemes governing the issue and use of Cards, as approved and notified by Us in writing from time to time (and "Card Scheme" shall be construed accordingly);

**Customer Service:** the support We provide to You relating to the lastbit Services and which can be contacted by email at the address notified on Our website;

**Fees:** any fee payable by the You in relation to Your use of the lastbit Account and/or Payment Services the current values for which are as specified at : <https://lastbit.io/pricing/>;

**Issuer:** in relation to Cards, a financial institution authorised by the appropriate Regulatory Authority to perform Payment Services in accordance with the local jurisdiction's regulations adopting the PSD, and which is a member of a relevant Card Scheme and licenced to issuer its branded cards and with which lastbit has a relationship enabling to the crediting of funds to Cards and the use of Cards;

**KYC:** Know Your Customer requirements for knowledge of and information on customers of regulated entities or for regulated activities;



**lastbit Services:** hosting the lastbit System for access by customers, enabling them to access the services provided by Our Partner Bitlocus (“Bitlocus Services”); access to the Card Services provided by Our Partner Weavr; and realize transactions on the Lightning Network via Our Lightning node;

**lastbit System:** the software system created by lastbit for the management of Cryptocurrencies as described herein;

**Limits:** the maximums and other limitations concerning Load amounts, frequency of Loads and other matters effecting the use of Your Cards that We may specify from time to time;

**Load:** the crediting of value to a Card;

**Merchant:** a retailer or any other person that accepts payments for its goods or services though one of the Payment Services You can access through the lastbit Services;

**Partners:** Bitlocus, Weavr and such other partners as We may engage from time to time to provide additional and complementary functionality for the lastbit Services;

**Partner Services:** the services provided by Our Partners;

**Payment Services:** all payment services provided by Our Partners that available You to use Cards, IBANs and Cryptocurrencies;

**Redemption:** the payment to You by the Issuer of any Available Balance on Cards whether at Your request or on termination of the lastbit Service;

**Regulations:** all laws, statutes, statutory instruments, acts, regulations, orders and directives, and all orders, regulations and rules issued there under, as amended from time to time all codes of practice and guidance issued by government agencies, self-regulatory bodies and trade associations (whether or not having the force of law) including the Financial Conduct Authority (FCA) and the Card Schemes or any other relevant trade or industry body applicable to the conduct of the Payment Services and/or the lastbit Service or in connection with any rights and obligations under this agreement;

**Regulatory Authority:** the Financial Conduct Authority, any Card Scheme and any governmental or other body having jurisdiction over either party or any aspect of this agreement;

**Security Information:** any personal identification number (“PIN”), password, code or other information necessary to enable the use of an Account or Card;

**Services:** the Partner Services, Payment Services and the lastbit Service;

**Trade Marks:** “lastbit” and such other marks used by lastbit in relation to the lastbit Service;

**Card Transaction:** the payment for goods or services by use of a Card;

**Virtual Card:** a non-physical payment card, the use of which is limited to on-line purchases or on the phone or mail order;

**Wallet:** a software programme which enables the recording of balances and initiation and receipt of associated Cryptocurrency transactions.



## **Weavr / End-User Agreement – Platform Access and Data Processing Agreement**

### **Introduction**

These terms and conditions (together with any documents incorporated by reference below, the “Agreement”) govern the supply of services by Paystratus Group Limited, (as the context requires, “Weavr”, “we”, “us”, “our”) to the entity approved by us to access the Weavr.io Platform (“you”, “your”) as indicated below.

Contact information: our contact details are available at <https://weavr.io/contact>.

We operate and maintain the Weavr.io Platform which enables you to access the Payment Services provided by regulated financial institutions (“the Payment Services Providers”), and to securely exchange your personal and financial data with the Payment Services Providers in relation to the provision of these services.

Our services to you are referred to as “the Weavr Services” throughout this Agreement. Your access to the Weavr Services is facilitated by the Application Provider by means of the Solution.

We provide the Weavr Services without charge to you but subject always to the terms and conditions of this Agreement.

The Payment Services are provided by authorised and regulated entities the details of which are provided on our website.

In certain circumstances you will also be bound by the terms and conditions of the Payment Services Provider(s) (which we identify on our website) and we and they shall be entitled to treat your use of the Weavr Services as confirmation of your acceptance of this Agreement and the terms and conditions applicable to the Payment Services.

### **Data**

For the purposes of these clauses relating to data the following terms shall have the following meanings:

**Data Protection Legislation:** the UK Data Protection Legislation and (for so long as and to the extent that the law of the European Union has legal effect in the UK) the General Data Protection Regulation ((EU) 2016/679) and any other directly applicable European Union regulation relating to privacy.

**Our Data:** the data, not including any personal data, supplied by us or our licensor for the Business Purpose (as defined below).

**Processed Data:** any data that derives from us having Processed Your Data under this agreement, whether or not in combination with Our Data.

**Processed Non Personal Data :** all data, other than personal data, comprised in the Processed Data from time to time.

**Relevant Data:** Your Data and the Processed Data.

**Security Breach:** any security breach relating to:



(a) Your Personal Data reasonably determined by us to be sufficiently serious or substantial to justify notification to the Information Commissioner or other relevant supervisory authority in accordance with the Privacy and Data Protection Requirements; or

(b) Your Non-Personal Data reasonably determined by us to be sufficiently serious or substantial to give rise to a material risk of litigation by the individuals whose data is the subject of the breach.

Security Feature: any security feature, including any key, PIN, password, token or smartcard.

Standard Contractual Clauses: the standard contractual clauses for the transfer of personal data from the European Union to processors established in third countries as set out in the Annex to Commission Decision 2010/87/EU.

UK Data Protection Legislation: any data protection legislation from time to time in force in the UK including the Data Protection Act 1998 or 2018 or any successor legislation.

Your Data: the data supplied by you to us under the terms of this Agreement, including Your Personal Data and Your Non-Personal Data.

Your Non-Personal Data: all data comprised in Your Data from time to time other than Your Personal Data.

Your Personal Data: the personal data comprised in Your Data from time to time.

### **Collection, Storage and Use of Your Data**

In order that you can use the Solution it is necessary that we collect information from you including information regarding your identity and (where you are a corporate body) the identities of your officers and employees.

Some of the information collected is Personal Data (as defined in the Data Protection Legislation).

Your Data is collected for the following purposes ("Business Purpose"):

to meet the anti-money laundering and similar obligations placed on us, the Application Provider or the Payment Services Provider(s);

to enable us to provide the Weavr Services;

to enable us to provide the necessary services to the Application Provider;

to share Your Data with the Payment Services Provider(s) and/or Application Provider so that they can meet any requirements they have in providing the relevant services.

We shall process Your Data for the Business Purpose only and in compliance with Your instructions from time to time.

You acknowledge that we are under no duty to investigate the completeness, accuracy or sufficiency of Your Data.

We may use Processed Non Personal Data to derive usage trends of the use of the Weavr Platform and for other commercial purposes. Any personal data shall always be made anonymous for such purposes.

### **Data retention**



We will only retain your personal data for as long as reasonably necessary to fulfil the purposes we collected it for, including for the purposes of satisfying any legal, regulatory, tax, accounting or reporting requirements. We may retain your personal data for a longer period in the event of a complaint or if we reasonably believe there is a prospect of litigation in respect to our relationship with you.

To determine the appropriate retention period for personal data, we consider the amount, nature and sensitivity of the personal data, the potential risk of harm from unauthorised use or disclosure of your personal data, the purposes for which we process your personal data and whether we can achieve those purposes through other means, and the applicable legal, regulatory, tax, accounting or other requirements.

### **Security and Passwords**

We shall ensure that the Relevant Data is kept secure and in an encrypted form, and shall use all reasonable security practices and systems applicable to the use of the Relevant Data to prevent, and take prompt and proper remedial action against, unauthorised access, copying, modification, storage, reproduction, display or distribution of the Relevant Data.

Where we use Security Features in relation to the Weavr Services (wholly or in part), the Security Features must be kept confidential and not lent, shared, transferred or otherwise misused by you.

If you or we:

(i) becomes aware of any unauthorised or unlawful processing of any Relevant Data or that any Relevant Data is lost or destroyed or has become damaged, corrupted or unusable;

(ii) becomes aware of any Security Breach; or

(iii) learns or suspects that any Security Feature has been revealed to or obtained by any unauthorised person,

that party shall, at its own expense, promptly notify the other party and fully co-operate with the other party to remedy the issue as soon as reasonably practicable.

We may change Security Features on notice to you for security reasons.

We shall take reasonable precautions to preserve the integrity of any Relevant Data processed by us and to prevent any corruption or loss of such Relevant Data.

We shall regularly make a back-up copy of the Relevant Data and record the copy on media from which the Relevant Data can be reloaded in the event of any corruption or loss of the Relevant Data.

If any of Your Data is lost or corrupted, our obligations under this clause shall be your exclusive right and remedy against us in respect of such loss or corruption.

### **Our Obligations**

We shall:

(i) only make copies of Your Data to the extent reasonably necessary for the Business Purpose (which includes, for clarity, back-up, mirroring (and similar availability enhancement techniques), security, disaster recovery and testing of the Customer Data);

(ii) not extract, re-utilise, use, exploit, redistribute, re-disseminate, copy or store Your Data other than for the Business Purpose; and

(iii) not do anything that may materially damage your reputation.

We shall take reasonable steps to ensure the reliability of all our employees who have access to Your Personal Data.

Where we need to transfer any of Your Personal Data outside the EEA we shall do so only in accordance with the terms of the Standard Contractual Clauses.

### **Your Obligations**

In your use of the Weavr Service you shall not:

access, store, distribute or transmit any viruses, or any material that:

(i) is unlawful, harmful, threatening, defamatory, obscene, infringing, harassing or racially or ethnically offensive;

(ii) facilitates illegal activity;

(iii) depicts sexually explicit images;

(iv) promotes unlawful violence;

(v) is discriminatory based on race, gender, colour, religious belief, sexual orientation, disability; or

(vi) is in any manner otherwise illegal or causes damage or injury to any person or property; and

shall not use or change your use of the Weavr Service in such a way as may (or may reasonably be expected to) overload or otherwise compromise the Weavr Platform or use it in any way which may reasonably be expected to be outside the parameters of normal use (for example by making excessive API calls through the system) and shall indemnify us against any costs we incur as a result of any such misuse;

and we reserve the right, without liability or prejudice to our other rights, to disable your access to the Weavr Services should you breach the provisions of this clause.

You shall not:

- attempt to copy, modify, duplicate, create derivative works from, frame, mirror, republish, download, display, transmit, or distribute all or any portion of the Weavr Platform in any form or media or by any means; or
- attempt to reverse compile, disassemble, reverse engineer or otherwise reduce to human-perceivable form all or any part of the Weavr Platform; or
- access all or any part of the Weavr Platform in order to build a product or service which competes with the Weavr Platform; or
- attempt to obtain, or assist third parties in obtaining, access to the Weavr Platform.

You shall use all reasonable endeavours to prevent any unauthorised access to, or use of, the Weavr Platform and, in the event of any such unauthorised access or use, promptly notify us.



In order for you to be able to use the Solution, the Weavr Services and Payment Services you may need your employees, officers, operatives and agents to access the Weavr Platform. Where we grant such access these individuals will be deemed to be authorised for the purposes of this Agreement and your agreements with the Application Provider and Payment Services Provider(s) and will be "Authorised Users". You undertake that your Authorised Users shall only access the Weavr Platform for these purposes and shall keep secure any password or other security device provided for such access. You shall be liable for the acts and omissions of your Authorised Users as if they were your own and we may block their access at any time if we believe that any of the terms of this Agreement or the Payment Services Agreement(s) has been or may be breached.

### **Our Rights**

We may suspend or terminate your access to the Weavr Platform at any time and for any reason, including but not limited to:

- you failing to use the Weavr Platform for the stated purpose;
- you failing to comply with any of these terms or any reasonable instruction we may issue;
- you withholding information which can reasonably be considered to be relevant in our granting you access to the Weavr Platform;
- your usage generating system loads that result in material negative impact on the performance of the Weavr Platform.

### **Your Rights**

You have the right to:

**Request access** to your personal data (commonly known as a "data subject access request"). This enables you to receive a copy of the personal data we or our partners (if relevant) hold about you and to check that we are lawfully processing it. Where your personal data is held by any of our partners in relation to your use of the Weavr Services, the Payment Services or otherwise, we shall act as that partner's agent in responding to your data subject access request.

**Request correction** of the personal data that we hold about you. This enables you to have any incomplete or inaccurate data we hold about you corrected, though we may need to verify the accuracy of the new data you provide to us.

**Request erasure** of your personal data. This enables you to ask us to delete or remove personal data where there is no good reason for us continuing to process it. You also have the right to ask us to delete or remove your personal data where you have successfully exercised your right to object to processing (see below), where we may have processed your information unlawfully or where we are required to erase your personal data to comply with local law. Note, however, that we may not always be able to comply with your request of erasure for specific legal reasons which will be notified to you, if applicable, at the time of your request.

**Object to processing** of your personal data where we are relying on a legitimate interest (or those of a third party) and there is something about your particular situation which makes you want to object to processing on this ground as you feel it impacts on your fundamental rights and freedoms. You also have the right to object where we are processing your personal data for direct marketing



purposes. In some cases, we may demonstrate that we have compelling legitimate grounds to process your information which override your rights and freedoms.

**Request restriction of processing** of your personal data. This enables you to ask us to suspend the processing of your personal data in the following scenarios:

If you want us to establish the data's accuracy.

Where our use of the data is unlawful but you do not want us to erase it.

Where you need us to hold the data even if we no longer require it as you need it to establish, exercise or defend legal claims.

You have objected to our use of Your Data but we need to verify whether we have overriding legitimate grounds to use it.

**Request the transfer** of your personal data to you or to a third party. We will provide to you, or a third party you have chosen, your personal data in a structured, commonly used, machine-readable format. Note that this right only applies to automated information which you initially provided consent for us to use or where we used the information to perform a contract with you.

**Withdraw consent at any time** where we are relying on consent to process your personal data. However, this will not affect the lawfulness of any processing carried out before you withdraw your consent. If you withdraw your consent, we may not be able to provide certain products or services to you. We will advise you if this is the case at the time you withdraw your consent.

*No fee usually required*

You will not have to pay a fee to access your personal data (or to exercise any of the other rights). However, we may charge a reasonable fee if your request is clearly unfounded, repetitive or excessive. Alternatively, we could refuse to comply with your request in these circumstances.

*What we may need from you*

We may need to request specific information from you to help us confirm your identity and ensure your right to access your personal data (or to exercise any of your other rights). This is a security measure to ensure that personal data is not disclosed to any person who has no right to receive it. We may also contact you to ask you for further information in relation to your request to speed up our response.

*Time limit to respond*

We try to respond to all legitimate requests within one month. Occasionally it could take us longer than a month if your request is particularly complex or you have made a number of requests. In this case, we will notify you and keep you updated.

*Contact details*

If you have any questions about this our use of your personal data please contact us in the following ways:

Email address: [privacy@weavr.io](mailto:privacy@weavr.io)

Postal address: Paystratus Group Ltd, Kemp House 160 City Road, London EC1V 2NX UK



You have the right to make a complaint at any time to the Information Commissioner's Office (ICO), the UK supervisory authority for data protection issues ([www.ico.org.uk](http://www.ico.org.uk)). We would, however, appreciate the chance to deal with your concerns before you approach the ICO so please contact us in the first instance.

### **No Warranty**

Access to the Weavr Services is provided “as is” and we give no warranty that the access will be continuous and uninterrupted. We use our reasonable commercial endeavours to provide the Weavr Services 24/7 but shall not be liable to you or any third party if we are unable to achieve this.

We shall not be liable to you in relation to any loss you suffer from your use of the Weavr Services, the Payment Services or the Solution including but not limited to any loss of profits, loss of sales or business, loss of agreements or contracts, loss of anticipated savings, loss of use or corruption of software, data or information, loss of or damage to goodwill or indirect or consequential loss.

### **Intellectual Property Rights**

You and we acknowledge that:

- (i) all Intellectual Property Rights in Your Non-Personal Data are and will remain your property or the property of your licensors, as the case may be; and
- (ii) all Intellectual Property Rights in Our Data are and will remain our property or the property of our licensors, as the case may be;
- (iii) we shall have no rights in or to Your Non-Personal Data other than the right to use it for the Business Purpose in accordance with this agreement; and
- (iv) you shall have no rights in or to Our Data other than a non-exclusive, royalty-free, personal, non-assignable, non-sub-licensable licence (co-terminous with this agreement) to process Processed Data for the Business Purpose in accordance with this Agreement.

You assign to us, and shall assign to us, all your Intellectual Property Rights in any Processed Non-Personal Data we may create under this Agreement, by way of future assignment.



## Cardholder Agreement – Consumers

### Introduction

These terms and conditions (together with any documents incorporated by reference below, the “Agreement”) set forth the terms and conditions under which Paynetics AD, UIC 131574695 (hereinafter referred to as “the Issuer” or “Paynetics”) issues to individual consumers (the “Customer”, “Cardholder”, “You”, “Your”) for use by the Customer with regard to the issuance and use of PAYNETICS CONSUMER DEBIT MASTERCARD cards.

This Agreement constitutes a contract between You and Paynetics. It contains important information that may affect your rights, use of the Card and your ability to recover your money. This Agreement applies to your Card(s) issued by Paynetics in addition to our Tariff and Privacy Policy. Please read carefully all these legally binding documents and keep a copy or download a copy of them for your records and future reference. By submitting your order for Card to Paynetics You indicate that You have accepted this Agreement. Thus, by ordering your Card(s) You shall be deemed to have accepted and fully understood this Agreement, including our Tariff and Privacy Policy and You agree to comply with them in your use of the Card(s). Any appendices or schedule to this Agreement form part of Our agreement with You and will have effect as if set out in the body of this Agreement.

### 1. DEFINITIONS

Herein:

“**Agreement**” shall mean this document together with:

- Fee Tariff of Paynetics AD (the “Fee Tariff”),
- Privacy Policy, and
- Any other appendix explicitly specified herein, incorporated in the Agreement by reference.

“**Fee Tariff**” shall mean the tariff adopted by Paynetics for the fees collected by Paynetics when issuing and servicing the **PAYNETICS BUSINESS DEBIT MASTERCARD**. The Fee Tariff may define the transaction limits for Card operations.

“**Paynetics**”, “**we**”, “**us**”, “**our**” shall mean Paynetics AD, seat and registered address: Ground Floor, 76A James Bourchier, Lozenets District, Sofia Municipality, Sofia, entered in the Commercial Register kept by the Registry Agency under UIC: 131574695. Paynetics AD is an electronic money company holding a license for operating as an electronic money company issued by the Board of Directors of the Bulgarian National Bank by Decision 44 of 11 April 2016, and is entered in the register kept by the Bulgarian National Bank, which is accessible on <http://www.bnb.bg/RegistersAndServices/RSPublicRegisters/index.htm>. The Bulgarian National Bank supervises the activities of Paynetics AD.

“**Paynetics Account**” shall mean a non-deposit non-interest-bearing account associated with a Card or Cards and maintained for the purpose of enabling Payment transactions. The Paynetics account shall only be used for loading of funds to the Card as provided for in Section 3 of this Agreement.

“**PAYNETICS DEBIT MASTERCARD**” or “**Card**” shall mean a Debit Card for individuals issued by Paynetics AD: a type of payment instrument with electronically recorded balance which is repeatedly used for identification of the Cardholder and for remote access to the Payment account. The card



has the MasterCard logo, it is linked to the Paynetics account of the Customer and using it, under this Agreement, a payment order is submitted. The card may be physical or virtual.

**“Privacy Policy”** means Paynetics privacy policy which you can view here <https://paynetics.digital/privacy-and-security-policy/> and which, together with this Agreement, describes the basis upon which any personal data We collect from You, either directly or from our authorised partners or that You provide to Us or them, will be processed, handled and shared by Us, as may be amended from time to time in accordance with its terms and as further explained and defined in this Agreement. If there is any discrepancy between the terms of our privacy policy and the relevant policies and/or terms and conditions of our partners in relation to our services and our treatment of your data then the provisions of our privacy policy shall apply

**“MasterCard”** shall mean MasterCard International Incorporated or its successors.

**“Card Organisation”** shall mean MasterCard International (‘MasterCard’), VISA Europe (‘VISA’) or any other association or organisation maintaining a card payment system applicable under this Agreement, including any affiliate, subsidiary or successor company of any of them, of which Paynetics is a member and is entitled to issue cards and accept payments, including using Cards accepted by such Card Organisation.

**“PIN”** shall mean a unique personal identification number, representing a combination of numbers and digits, known only to the Cardholder, serving to identify the Cardholder by entering it to the keyboard of the ATM and POS when performing Payment Transaction with the Card. The PIN can be changed via ATM.

**“CVC2”** shall mean a three-digit code or password for Secure Internet Payments issued for each card. CVC2 is a strictly personalised code for access to funds available on the Card, which is entered using a virtual POS terminal. Each CVC2 entry using a virtual POS terminal serves to prove the identity of the Cardholder.

**“Payment Transaction”** shall mean a payment made by the Cardholder using the Card including: a transaction at a physical POS terminal; ATM transaction, an Internet transaction using a virtual POS terminal.

**“Blocking the Card”** shall mean a temporary discontinuation of the Card service by Paynetics resulting in an objective impossibility to use the Card. Paynetics shall keep a record of blocked cards.

**“Deactivating the Card”** shall mean the final discontinuation of the Card service by Paynetics.

**“Automated Teller Machine (ATM)”** shall mean a device allowing cash withdrawal, payment of services, transfer of funds between payment accounts, receipt of statements and execution of other payment and non-payment transactions.

**“POS (Point of Sale, Point of Service) Terminal”** shall mean a device where the Card is used to pay for the purchase of goods or services in commercial premises.

**“Virtual POS Terminal”** shall mean a logically defined POS terminal device by which payment of goods and services are performed via the Internet.

**“Limits”** shall mean the Payment Transaction’s limits that apply to your Card and your Paynetics account, which are part of this Agreement and are listed in the “Tariff”



**“Tariff”** shall mean the fees and limits applicable to the services appointed in this Agreement. The Tariff, as amended from time to time, shall be available here.

**“Identification” or “KYC Procedure”** shall mean an identification procedure that requires at least provision of a valid passport / ID card and bank statement or other identification document, as well as a selfie of the person, together with the presented identity document in real time. The identification is done with an automated system and Paynetics and/or the Agent may require additional information.

**“Payee”** the recipient of a Payment Transaction or other credit resulting from use of the Payment Card.

**“Prohibited Transaction”** shall mean any of the following types of transactions or activities:

1. Any sales of ‘pyramid’ type, Ponzi schemes or similar marketing or matrix programs or other schemes for ‘quick enrichment’ or high-yield investment programs;
2. Sale, supply or purchase of illegal items or items promoting or facilitating illegal activities;
3. Sale, supply or purchase of counterfeit products or products infringing intellectual property rights;
4. Products or services for the processing or aggregation of payments by third parties;
5. Money laundering;
6. Terrorism financing or propaganda;
7. Pornography, escort services and selling and/ or advertising sexual services;
8. Using the Card in a manner and/or for purposes violating the applicable law and/or regulations of the Card Organisation;

We reserve the right to further add other categories of prohibited transactions by adding such categories either to this Agreement or to a separate document posted on the Website.

## 2. DESCRIPTION OF THE CARD

1. The Card shall be issued to the Customer by Paynetics and will be linked to the Paynetics account of the Customer opened in any of the currencies maintained by Paynetics. These cards can be used for transactions in the country or abroad. The card includes the following requisite details: validity period, unique card number, name of cardholder, currency and CVV2/CVC2.
2. The Card is issued under the MasterCard brand based on the license granted by MasterCard International.
3. Unless otherwise provided herein, the following Payment transactions can be carried out using the Card:

3.1. Cash Withdraw via ATM;

3.2. Payment for goods or services via POS terminal;

3.3. Periodic transactions;

3.4. Payment for goods or services online via VPOS Terminal;

3.5. Obtaining an account statement;

3.6. Change of PIN by the Cardholder on ATM.

4. Transactions under Clause 3 above can be carried out on all terminal devices bearing the MasterCard logo and maintaining the respective functions.
5. Payment transactions with the Card shall be implemented immediately after receiving a due order and the Paynetics account shall be debited within: a) 10 days in case of cash withdrawal via ATMs; b) 15 days for all other transactions other than the ones under item a).
6. The Card Payment transactions will be subject to the limits set by Paynetics under the Tariff.
7. Following Card activation, the Card can be used for transactions with the funds available in the associated Paynetics Account. Cardholders may use the Card only personally and may not provide it for use to anyone else. If a Cardholder provides access and/or any other means for use of the Card by a third party, the Customer shall be fully liable for all transactions initiated by such third parties.
8. Paynetics may refuse to perform a transaction with a Card if there are not sufficient available funds in the Customer's Paynetics Account to cover the amount of the Payment transaction and all applicable fees as per the Tariff. If any action results in a negative balance in the Paynetics Account, the Customer shall recover the respective amount ensuring a positive balance in the Account, and Paynetics shall be entitled to take all necessary steps in accordance with the Agreement for the collection of amounts due from the Paynetics Account.
9. By accepting this Agreement, the Customer agrees that:
  - Paynetics is not a bank and that the Paynetics Account is not a bank account;
  - No interest shall be accrued on your Paynetics Account balance;
  - The funds available in the Paynetics Account are not a deposit and the Customer may not claim any interest thereon;
  - Paynetics shall deduct the value of all transactions performed with the Card, including all applicable fees, from the Paynetics Account balance.
10. Paynetics has the right to change at any time:
  - a) The authentication methods used to verify the identity of Cardholders;
  - b) The scope of services provided by Paynetics at any time, and by excluding the possibility for their use in case of newly introduced technical characteristics of the services, regulatory changes or for safety reasons, or for other reasons. Paynetics shall promptly notify the Customer in writing or by email about any such changes.
11. The Customer shall be fully responsible for all goods or services purchased with the Card. Any dispute with a merchant about a product or service purchased with the Card shall be considered a dispute between the Customer and the merchant. Paynetics shall assume no responsibility and shall not provide any warranties regarding such goods or services



purchased with the Card, and shall not be responsible for their quantity or quality. All such disputes should be addressed directly to the Merchant providing the respective goods or services.

12. Paynetics reserves the right to refuse to authorise a Payment transaction if it does not meet the requirements of the Agreement or violates the provisions of a regulatory act or the regulations of a Card Organisation. In such case, Paynetics shall promptly inform the Customer about the reasons for that refusal, unless this is prohibited by a regulatory act.
13. Paynetics shall not be liable if a merchant refuses to accept a Card or if Paynetics has not authorised a certain payment transaction in compliance with the Agreement.
14. The Card is property of Paynetics as a card issuer and cannot be transferred and/or made available to any person other than the Cardholder.

### 3. **CARD ISSUANCE AND LOADING**

1. Paynetics shall enter into agreements with and shall issue Cards individuals.
2. The Agreement shall be considered to be effective as from the moment when the Customer receives a confirmation by Paynetics that the Customer has been approved by Paynetics. Paynetics may refuse to enter into an agreement with a certain individual or to issue a Card without stating any reason.
3. Each Card has a validity period within which the Cardholder may use the Card. The Card shall expire on the last day of the month/year indicated on its front side. All transactions initiated after the expiration or cancellation of the Card shall not be authorised or effected.
4. Paynetics shall issue the Card within ten working days from the date of signing the Agreement and , if the Card is not virtual, shall deliver it to the Cardholder. The Card may be delivered by a courier service or through the Agent.
5. The Card , if not virtual, shall only be personally delivered to the Cardholder by Paynetics or its representative. Upon receipt of the Card, the Cardholder shall be required to produce their identity card for identification purposes. The Cardholder shall be required to put their signature on the signature spot on the reverse side of the Card immediately after receiving it.
6. Along with the Card, Paynetics may provide the Cardholder with a PIN. The Cardholder should memorise their PIN and then destroy the media on which it is recorded. The Cardholder should always keep their PIN, should not record it anywhere or use it if someone else can see the PIN. If the Cardholder suspects that someone else knows the user identifiers, passwords, or PIN, they should immediately inform Paynetics and change them immediately.
7. The Card may be loaded via bank transfer to the Paynetics account associated with the Card ("Funding Source").
8. We must verify that the Funding Source is valid and legal. For that purpose. We may require You to confirm your Funding Source by such verification methods that We chose for that purpose.

9. You can fund subsequently (reload) your Card via additional bank transfers as appointed in item 1 above.
10. Whenever Card (s) is funded by debiting an account at your financial institution and We are advised of insufficient funds in such account, We may represent such transaction at your financial institution.
11. The Customer may request Paynetics to issue a new card in the following cases:
  - a. In case of destruction or damage to the Card,
  - b. In case of loss, theft or other misappropriation of the Card,
  - c. In case of a forgotten PIN, and
  - d. Upon expiration of the validity period. Upon the expiration of the Card, only the cards used within the past two months before the expiration date will automatically be renewed. The Customer shall pay a fee for the Card renewal in accordance with the Fee Tariff effective as of the date of renewal.
12. In the cases under Clause 11 a), c) and d) above, the Customer shall be required to return the old card which shall be destroyed in the presence of an employee. In case of failure to return the Card, the Customer shall pay a fee according to the Fee Tariff. The Customer shall not pay a fee for failure to return the card if, in accordance with the Agreement, they have requested blocking of the Card due to loss/theft.
13. When the Cardholder receives their Card it will be inactive. The Cardholder should activate the Card prior to using it. Otherwise, any transactions attempted by the Cardholder shall be rejected. The Card shall be activated online by following the instructions for activation provided by the Agent.

#### 4. **CARD USE**

1. The Cardholder shall use the Card only in person and in compliance with the provisions for issuance and use set out in the Agreement and the Agreement. The Cardholder may not perform any unauthorised transactions with the Card.
2. The Cardholder shall safeguard the Card, the information recorded thereon and the personalised security features of the Card.
3. The physical card may be used on any device accepting cards with the MasterCard® brand, while your virtual Card may only be used for online transactions or transactions performed by phone using mobile applications.
4. Any payment transaction with the Card shall be allowed only after verifying: the accessible cash, the Card status and its limits, and identification of the Cardholder by one of the following methods:
  1. In case of cash withdrawal from an ATM: by entering a PIN;
  2. In case of payment for goods or services by a POS terminal: by entering a PIN and/or signature on the POS slip note. The requirement under this Clause shall not be applied in case of contactless payments for amounts under the maximum set by Paynetics.

The maximum amount for a contactless transaction beyond which customer verification is required by entering a PIN shall be approved and confirmed by the International Card Organisation for each country. The signature on the slip note from the terminal device should be identical to the signature on the reverse side of the Card and shall verify the authorisation and the correct execution of the transactions. At the Merchant's request, the Cardholder shall also present a document for identification and verification of their signature. Failure to provide an ID shall represent a reasonable ground for refusing to effect the payment transaction;

3. In case of online payments no PIN shall be used but the card authenticity shall be confirmed by a CVC/CVV and a one-time payment code.
5. The Cardholder may carry out transactions with the Card to the amount of the available cash in the account to which the Card was issued in accordance with the limits set to their Card.
6. The Customer needs to make sure there are sufficient funds in the account to which the Card was issued in order to carry out payment transactions with the Card. The Customer should ensure sufficient funds in the Account to which the Card has been issued in order to perform payment transactions with the Card. If the Cardholder performs payment transactions with amounts in excess of the available cash or otherwise exceed it in connection to the Card use, the excess amount shall be recorded as an unauthorised overdraft and charged with an interest rate equivalent to the legal interest rate and the Customer must make an immediate payment of the amount in excess plus the accrued interest.
7. It is possible that some merchants may not accept payments made with the Card. It is a responsibility of the Cardholder to check the policy of each merchant. Paynetics holds no responsibility if a merchant refuses to accept a Card payment.
8. Merchants in certain business sectors (e.g. car rental companies, hotels and other service providers) have the practice to estimate the potential funds that can be spent with them and to require retention of the total amount of the potential funds so estimated. In some cases, that total amount may exceed the amount effectively spent. In such cases, the initially withheld funds from the Card may be held for up to 15 days and the amount will not be available. Paynetics may release such amounts only with the Merchant's consent.
9. If the Card is lost, stolen or damaged, Paynetics shall replace it at the Customer's request by charging a Replacement Fee which shall be deducted from the Paynetics Account. If a card has been reported lost, stolen or misappropriated but later is found, then the Cardholder should immediately inform Paynetics about it and destroy the Card.
10. The Card, physical or virtual, allows Payment transactions related to payment for goods and services, at the initiative of or through the Payee. Your consent to the payment operations to be performed at the initiative of or through the Payee is provided by providing the Payee with the Card identification data (card number, validity period, CVC2 / CVV2 card code), with which you give consent to the Payee to initiate Payment transactions with your Paynetics card and Paynetics to execute them, and you will be bound by the consequences of their execution. In the cases when you agree with the card to perform payment transactions at the initiative of or through the Payee, including through the application, you provide this

consent by entering / filling in the Card number, your name, the validity period of the Card, the CVC2 / CVV2 card code and a one-time code (3 D secure) that you will receive for the purpose of giving consent. In case you have given consent with the Paynetics card to perform payment transactions on the initiative of or through the Payee, Paynetics performs these transactions as regularly authorized by you, based on the consent of the recipient and is not responsible for damages or lost profits from performance.

11. In addition to the above in item 10 for Payment Transactions related to Paynetics cards made on the initiative of or through the Payee, You will have the right to request from Paynetics a refund of the entire amount of an already executed and authorized payment transaction in up to 56 days from the date on which your Paynetics account was debited and the following conditions are met at the same time:

(a) at the time of authorization to execute the payment transaction, its exact value is not specified, and (b) the value of the Payment transaction exceeds your expected value in view of your previous expenses for such transactions, the terms of these General Terms, etc. case-specific circumstances. You cannot refer to reasons related to a currency exchange when the reference exchange rate agreed with Paynetics has been applied. At the request of Paynetics, you must provide evidence of the existence of the conditions in points (a) and (b) above.

Within 10 working days of receiving your request, Paynetics refunds the entire amount of the Payment transaction or refuses to refund it, indicating the grounds for refusal and the authorities to which you can object if you do not accept the stated grounds for refusal. The refund includes the entire amount of the executed payment transaction, whereas the value date for crediting your Paynetics account will be no later than the date on which your account was debited with the amount of the Payment transaction.

12. You will not be entitled to a refund under item 11 when you have given your consent to perform the payment transaction directly to Paynetics and, where applicable - Paynetics or the Payee has informed you or provided you with information about the upcoming payment transaction under agreed manner at least 28 days before the date of its performing.

## 5. AUTHORISATION OF PAYMENT TRANSACTIONS

1. Each payment transaction should be approved at the time when it is initiated by the Cardholder. Each payment order and authorisation shall be obtained from Paynetics in an electronic form.
2. In order to ensure extra security when performing online payments, Paynetics registers all Cards issued by the company for the Secure Online Payments service (3-D Secure). The programmes of the International Card Organisations providing such service are the MasterCard Secure Code and Verified by Visa. For each payment on the websites of merchants involved in the MasterCard Secure Code and Verified by Visa programmes, the Cardholder shall receive a text message (SMS) containing a one-time verification code for the payment. Entering the payment verification code is a further identification besides entering the CVV2/CVC2 code on the Card. In the event of misuse of the Card online after learning the verification code from third parties and/or in case of payments with the Card to Merchants not involved in the MasterCard Secure Code or Verified by Visa programmes, Paynetics shall not be held liable and the losses incurred shall be covered by the Customer. Also, Paynetics shall not be held liable for any non-received SMS with a confirmation code in



case of failure of the respective mobile communication providers to deliver such notifications or in case of wrongly provided cell phone number. Paynetics shall not be a party to the relationship with the online payment system operator and shall not be held liable with regard to such relationship.

3. The Cardholder shall send an irrevocable order to Paynetics and shall agree to carry out the payment transaction, and also shall give an unconditional consent and order to Paynetics to use the funds in the Paynetics Account and to deduct any fees and commissions payable in relation thereto:
  1. In case of payment by a physical card at a POS terminal: by providing the Card, placing it on the respective POS terminal and/or entering a PIN to effect the particular payment.
  2. In case of online payment of goods or services: by entering a CVV2 number/three-digit code of the Card and the one-time transaction cod, if requested.
  3. In the case of transactions effected by an ATM: by inserting the card into the ATM device and entering a PIN in the ATM device.
4. The consent to a Payment Transaction may not be withdrawn or cancelled after it has been received by Paynetics.

## 6. PAYMENT TRANSACTIONS

1. Paynetics may refuse to carry out any payment transaction ordered with the Card if it does not meet the requirements of this Agreement, including, but not limited to any of the following circumstances:
  1. Paynetics has a good reason to suspect that the transaction is unauthorized or involved in fraud or illegal activity;
  2. The Cardholder has not given an exact order to implement the transaction or has given an incomplete order;
  3. Paynetics has a good reason to believe that there has been a violation of the Agreement;
  4. For a reason related to compliance with rules and regulations of MasterCard®;
  5. If there are no sufficient funds in the Paynetics Account or if the transaction violates the set limits;
  6. By law or by order of a regulatory body;
  7. Due to a technical impossibility to carry out the transaction.
2. Merchants may not authorize a payment unless they have obtained permission from Paynetics.
3. The Cardholder shall be responsible to provide a correct and accurate order for execution of a payment transaction. If the instructions provided by the Cardholder are incorrect, inaccurate or incomplete, Paynetics shall not be liable for errors or inaccuracies in the

transaction. If a payment transaction is carried out in accordance with the instructions provided by the Cardholder, it shall be deemed to be accurately implemented.

4. Each payment transaction made with the Card shall be final and irreversible, except in the following situations at the discretion of Paynetics:
  1. An error on part of the merchant has been confirmed.
  2. An illegal activity in connection with the Card has been detected;
  3. A violation of the Agreement has been established.
5. The maximum period for completion of payment services provided with the Card shall be determined by the rules of card organisations and card operators within the terms set out in Article 87 and Article 88 of the Law on Payment Services and Payment Systems (LPSPS).
6. The implementation of a payment transaction ordered with the Card may be delayed due to the performance of Paynetics' obligations under the applicable anti-money laundering laws, including if Paynetics suspects that the transaction is involved in frauds, illegal or unacceptable activities or constitutes an unauthorised transaction.
7. **FEES AND EXCHANGE RATES**
  1. The Customer shall be charged for the Card issuance and service, and each transaction performed using the Card, by applying the Fee Tariff effective on the date of collecting the fee or the date of effecting the transaction, respectively. The fees due by the Customer shall be collected ex officio from the Paynetics account to which the Card has been issued.
  2. By accepting this Agreement, the Customer enables Paynetics to debit the Paynetics Account for all applicable fees in relation to a given transaction made with the Card. All fees shall be determined in the currency of the Paynetics Account. Such fees shall include the fees of relevant third parties whose services are necessary to enable the payment services hereunder to be performed and remitting these fees to the relevant third parties or their Agent
  3. Paynetics reserves the right to change the fees due on a current basis in accordance with the Agreement, and based on such changes, the procedure for changing the Agreement mentioned herein shall be applied. Changes in the reference exchange rate shall apply immediately without prior notice.
  4. If the ordered payment transaction is in a currency other than the currency denominated for the Paynetics account, then the amount deducted from the balance shall be the amount of the transaction converted into the currency denominated for the Paynetics account, using the exchange rates used applied by MasterCard®; these exchange rates shall have the meaning of a reference exchange rate in compliance with the Law on Payment Services and Payment Systems (LPSPS), and the changes shall be applied immediately to the relations under the Agreement. The exchange rate shall be determined on the date of the final settlement of the transaction. A fee for foreign currency transactions as described in the Fee Tariff shall also be applied.
8. **COMMUNICATION PROCEDURE**

1. The Agreement shall be executed in English and the communication between the parties thereto shall also be carried out in English, unless otherwise provided therein.
2. Representatives of the Customer or persons authorised by them may receive information about the payment transactions made with the Card electronically.
3. If any changes are made to the initial contact details provided by the Customer upon signing the Agreement, the Customer should inform Paynetics about it in writing within 7 days. Otherwise all notifications, invitations or other notices sent to the last Customer's electronic address known to Paynetics shall be deemed to have been delivered.
4. Paynetics Customer Relations Centre shall be open from 9 a.m. to 6 p.m., EET, from Monday to Friday. The contact details can be found on the Website. The contact details in case of lost or stolen or non-functioning cards shall be available on the Website. For monitoring purposes, we may record any conversation with the Customer Relations Centre.
5. Paynetics shall provide access to the required information about the Card transactions by means of electronic statements about payment transactions and history of transactions on the Website. Statements shall not be provided on paper. Information about the Card shall be updated, if there was any activity with the Card, including information on all collected fees. From the moment of downloading the statement from the Website the Customer shall be considered to be informed about the relevant transaction, whether they have actually downloaded the said statement or not. The Customer shall be charged for obtaining additional information or for obtaining it in a manner different from the manner described herein.

## 9. SECURITY MEASURES

1. The Cardholder must keep the Card with diligence by taking all necessary measures against its loss, destruction, damage, or disclosing data recorded on the Card or its personalised security features by third parties. Pursuant to Article 75 of the Law on Payment Services and Payment Systems (LPSPS), the Customer and the Cardholder shall have the following obligations:
  1. To use the Card in accordance with the terms and conditions for their issuance and use;
  2. To notify Paynetics of any loss, theft, misappropriation or unauthorised use of the Card immediately after becoming aware thereof;
  3. Upon receipt of the Card, to make all reasonable efforts to preserve their personalised security features, including not to record any information about those security features on the Card and not to keep such information together with the Card.
2. If the card has been held by an ATM, the Cardholder must immediately notify Paynetics. If Paynetics is not able to give back the card to its Cardholder, Paynetics shall issue a new card to the same account.
3. In the event of loss, misappropriation, destruction, damage, counterfeit or other unauthorised use of the Card, the Cardholder must immediately notify Paynetics by providing their personal details or the Card number, if possible. Notification can be made via

the Paynetics Customer Relations Centre or by sending a message on the website via the contact form. Notification can be also made by phone, at the phone number listed on the website. Paynetics makes all reasonable efforts to stop using the Card by blocking the Card transactions after receiving a notification by the Cardholder.

4. Without prejudice to Clause 1 above, in order to ensure the safety of the Card, the Customer/Cardholder must provide at least the following:
  1. Not to disclose to and/or allow any third party to use in any manner whatsoever the user identifiers, passwords or PINs;
  2. To ensure the safety of their personal devices (mobile phones, computers, tablets) and to protect their personal devices from unauthorised access;
  3. To regularly change their password to access the virtual Paynetics Card;
  4. To use up-to-date virus, malware, and spyware software and a firewall to reduce the risk of security breaches.
5. Paynetics may, at any time at its sole discretion, block or deactivate the Card for reasons related to the following:
  - a. In the cases under Clause 3 of this Article;
  - b. If there are reasons to doubt the security of the Card;
  - c. If Paynetics becomes aware or suspects that the Card is being used in an unauthorised, unlawful or deceptive manner;
  - d. For reasons related to the law enforcement of any applicable jurisdiction or the instructions provided by a Card Organisation;
  - e. If the Agreement is terminated;
  - f. At the request of the Customer: the request can be sent in writing to the following address: 76A James Boucher Blvd., Ground Floor, 1407 Sofia, or using the contact form on the Website;
  - g. If Paynetics discovers or suspects non-compliance with the Agreement; and
  - h. In case of placing a lien on the Customer's Paynetics Account.
6. In the cases under Clause 5 of this Article, if possible, before blocking/deactivation or immediately afterwards at the latest, Paynetics shall notify the Customer about the blocking/deactivation of the Card and the reasons for it, unless providing such information is forbidden for security reasons or to comply with regulatory requirements preventing such reasons from being disclosed to the Customer.
7. The Card shall be unblocked as soon as possible after the reasons for blocking cease to exist. If the Card has been blocked due to Customer's/Cardholder's fault, the Customer shall pay a fee in accordance with the Fee Tariff.

## 10. LIABILITY

1. The Customer shall be required to notify Paynetics in writing of any unauthorised or improperly executed transaction with the Card without undue delay after becoming aware



of the unauthorised or improperly executed transaction but no later than 13 months from the date of debiting the Customer's Paynetics Account. The Customer shall be considered to be informed of an unauthorised or improperly executed transaction as from the moment of downloading the relevant statement from the Website Paynetics shall not be held liable for any unauthorised or improperly executed payment transactions under this Article 10 where Paynetics has not received a notice within two months from the date when Customer's Paynetics Account was debited.

2. Upon receipt of notification under Clause 1 hereof, the Cardholder has the right to receive a refund of the funds as per this section. Paynetics shall verify the authenticity of the payment transaction, its proper registration and reporting, and whether the transaction has been affected by a technical malfunction or other defect.
3. In the event that Paynetics establishes an unauthorised transaction and where there are no reasonable grounds for suspecting that the Customer/Cardholder acted fraudulently, Paynetics shall refund to the Customer the value of the unauthorised transaction within the statutory timelines. If necessary, Paynetics shall restore the Customer's Payment Account to the status it would be if the unauthorised transaction was not effected.
4. The provision of Clause 3 hereof, shall not apply and the Customer shall bear all losses, irrespective of their amount, relating to unauthorised transactions if the Customer/Cardholder has caused them by fraud or failure to perform one or more of the obligations under the Agreement.
5. Paynetics shall be held liable for any non-executed or improperly executed transaction unless it proves that the payment service provider of the recipient has failed to receive the amount of the transaction within the deadline. In such cases, Paynetics shall promptly reimburse the amount of the transaction and, if applicable, shall restore the account to the status in which it would have been before the transaction was effected. Upon Customer's request, Paynetics shall take due steps to track the transaction and inform the Customer about the outcome
6. The Customer shall pay a fee in accordance with the Fee Tariff in the cases where it appears that their notification under Clause 1 hereof is unjustified.
7. In the event that you have grounds for recovering amounts from incorrectly performed or unauthorized transactions, we will recover them as soon as possible upon receipt of your claim or any additional information we may request in order to investigate your right to a refund. However, if, following an investigation, we have reasonable grounds to believe that the refund is not actually due to you for any reason or that we have made an unreasonable refund, we will have the right to request a refund of the previous refund and you will be liable. for any loss caused to us or to you.
8. Where Paynetics acts as the payee's payment service provider and has not executed or has incorrectly executed a payment transaction, Paynetics shall immediately credit the payee's account specified in the payment order with the amount of the executed or incorrectly executed payment transaction or in case of duplicated transaction-shall refund the account of the payee in the condition in which he would be without the execution of the incorrectly executed payment transaction.
9. Paynetics shall not be held liable to the Customer for damages and losses arising from:

- a. Any transaction for which the Customer/Cardholder has failed to use the Card in accordance with the Agreement;
  - b. Any transaction performed in accordance with the information which the Customer/Cardholder has provided to Paynetics where it is established that the information provided is incorrect or inaccurate;
  - c. Any unusual or unforeseeable circumstance beyond the control of Paynetics;
  - d. Refusal of a merchant to accept a Card or payment;
  - e. Malfunction of a mobile device or other equipment, software or services required for the successful technical performance of an operation which is beyond the control of Paynetics;
  - f. Compliance with the applicable legal or regulatory requirements or guidelines provided by the Card Organisation.  
any unauthorized transaction in which you have acted fraudulently or when you have intentionally or grossly negligently not used the Card in accordance with these General Terms and Conditions
  - g. Loss of Customer's revenue, goodwill, lost benefits or expected savings;
  - h. Any loss or damage which is not a direct result nor a direct consequence of a breach of the Agreement by Paynetics; or
  - i. For any loss or damage caused by a virus, Denial of Service attack dissemination or other technologically harmful material that may infect a computer or other device or equipment, software programs, data or other proprietary material in connection to the Card and the Agreement.
10. Paynetics shall not be held liable in case of unjustified refusal of third parties to accept transactions with the Paynetics Card or, if the payment initiated by the Cardholder cannot be made with the Card due to technical, communication or other reasons beyond the control of Paynetics.
  11. Paynetics shall not be a party to the relationship between the Customer and merchants, including utility providers, when performing transactions with the Card and shall not be held liable for the quality of goods and/or services provided by the merchant or for possible disputes arising between the merchant and the Customer for this reason.
  12. Paynetics shall not be held liable if a notification of destruction, loss, theft, forgery or other misappropriation of a Card made by the Cardholder is untrue and Paynetics has taken the necessary steps to protect the Cardholder by refusing to approve transactions with such Card.
  13. The Customer shall be responsible for all obligations arising out of the Card use and shall be liable to Paynetics for all damages caused by the Card improper and/or non-compliant use under the Agreement.
  14. In the event of non-performance of the Customer's obligations to Paynetics in connection with the Card use, the Customer may not make objections based on its relations with third parties and/or Cardholders.

## **12. CHANGES TO THE GENERAL TERMS AND CONDITIONS**

1. Paynetics shall notify the Customers about any changes to the Agreement, including the Fee Tariff, and the date on which such changes shall take effect, by posting on the Website and/or via email. Modifications to exchange rates, if they are in favour of the Customer, shall have an immediate effect where are the result of a modification to the reference rate of the MasterCard exchange rates for the respective period. All other changes shall enter into force after expiration of 2 months as of their notification.
2. If the Customer does not approve of the changes to the Agreement as per Clause 1 hereof, the Customer has to inform Paynetics promptly. Paynetics shall assume that the Customer has approved the changes to the documents under Clause 1 hereof if the Customer has not informed Paynetics that the Customer does not approve these changes. In case the Customer has informed Paynetics that the latter does not accept the changes, this Agreement shall be terminated within seven days after posting the notice under Clause 1 hereof.
3. Paynetics shall not notify the Customer about any modifications associated to extending the scope of the provided services, modifications that are more favourable to the Customer, or reproductive modifications in the regulatory acts.

## **13. TERM OF THE AGREEMENT. TERMINATION. VALIDITY PERIOD OF THE CARD**

1. The Agreement shall be deemed to have been made and shall become effective the moment it is signed by the Customer and approved by Paynetics. The Agreement shall be valid until the same is terminated in any of the ways provided in the Agreement.
2. The Agreement shall be made for a validity period coinciding with the validity period of the Card(s), including in the cases of re-issuance of the Card within the validity period provided in the Agreement.
3. Upon expiration of the term referred to in Clause 2 above, a new Card(s) shall be issued and the Agreement shall be automatically renewed for a new period of time equal to the validity period of the new Card(s) if it is not terminated by one of the parties in the ways specified in the Agreement. The Card shall not be reissued if the Customer makes a written request to terminate the Agreement by the end of the month preceding the month of its expiry.
4. The Agreement shall be terminated:
  1. In the cases under Clause 12.2;
  2. Upon closing the payment account to which a Card has been issued;
  3. By the Customer:
    - a. Upon expiry of the Card and a written request for termination of the Agreement;
    - b. On the date of submitting a written request for termination of the Agreement.
  4. By Paynetics:
    - a. With a one-month written notice;

- b. Without a notice: in case of breach of the provisions of the Agreement or the Agreement by the Customer or a Cardholder;
  - c. If this is a requirement to Paynetics by a regulatory authority or a Card Organisation, or it is required in order to comply with regulations or prohibitions on money laundering or terrorist financing;
  - d. In other cases provided by law or in the Agreement.
5. Upon the occurrence of any of the conditions under Clause 4 above, the Customer's right to use the Card (s) shall be terminated and the Cards shall be deactivated. The Customer shall be required to return the cards issued under the Agreement, and all Paynetics receivables under the Agreement, if any, shall become payable.
  6. The Customer shall be responsible for all transactions performed prior to termination of the Agreement, their resulting liabilities and any other obligations relating to the use and servicing of the Card prior to such termination.

#### **14. LEGAL PROTECTION PROCEDURE**

1. Paynetics shall review any objections submitted or disputes raised by the Customer or its signatory in connection with the payment services provided and shall notify the Customer of its decision within fifteen business days from their submission.
2. If Paynetics fails to announce its decision within the time limit referred to in Clause 1 above or the decision is not to the Customer's satisfaction, the Customer may refer the dispute to the Conciliation Committee for Payment Disputes with the Commission for Consumer Protection.
3. The Agreement and the Agreement shall be governed by the relevant Bulgarian laws. Any disputes related to their interpretation or implementation shall be finally settled by the competent Bulgarian court.

#### **15. MISCELLANEOUS**

1. The Agreement have been executed based on and in compliance with the Law on Payment Services and Payment Systems (LPSPS), the regulatory acts issued in terms of its implementation and other relevant regulatory acts.
2. Personal data shall be processed by means of automatic devices in compliance with the European Union Law, the Law on Personal Data Protection and the international treaties to which the Republic of Bulgaria is a party. In order to meet its statutory obligations, Paynetics shall apply customer due diligence procedures, and in addition shall provide information to the National Revenue Agency and other competent government authorities.
3. Paynetics may transfer its rights and obligations under the Agreement to another company or individual at any time. The Customer shall be entitled to transfer its rights and obligations under the Agreement and the Agreement to another individual or company only after obtaining written consent from Paynetics.
4. If a court or competent authority establishes that a certain provision in the Agreement (or any part of any provision) is invalid, illegal or unenforceable, such provision (or part of it)



shall be deemed to be non-existent to the extent necessary, but the validity and applicability of all other provisions of the Agreement shall not be affected.